



Toho Gas Group Vision

Enrich our future together.

Enrich our future together.

The future cannot be created alone.

The future belongs to all of us.

Together with everyone. Along with affluence.

**May the future of the city, region, and society continue to be
better than today.**

Contents

01	Message from the Top	• • • • •	3
02	100 years of our history and strengths we have cultivated	• • • • •	4
03	Envisage future society in 2050	• • • • •	5
04	Roles for us to play in society in 2050	• • • • •	6
05	What we aim to be in the mid-2030s	• • • • •	8
06	Direction of efforts to realize “what we aim to be”	• • • • •	9
07	Transformation of business portfolio	• • • • •	13
08	A company-wide challenges	• • • • •	14

01 Message from the Top



Nobuyuki Masuda
Representative Director, President

We will celebrate the 100th anniversary of our founding in June this year.

One hundred years ago, Sakura Okamoto, our founding president, set forth a company commitment to public service centering on customers, shareholders, and employees as a trinity. This founding spirit has been passed down to the Group as important DNA and has contributed to the development of the region through our business activities. We would like to express our sincere gratitude to our customers, shareholders and other stakeholders, who have supported the Group for a long time.

Today, the environment surrounding us is changing at an unprecedented pace, with the move toward carbon neutrality by 2050 and the rapid digital shift triggered by the new coronavirus pandemic. In addition, the Group is at an important inflection point in its history with the spin-off of the conduit division, a significant structural change.

In this context, we have envisaged society in 2050 so that the employees of our group can pioneer a new area based on common understanding and have formulated the direction of our efforts to achieve what we aim to be in the mid-2030s, which is the midpoint to 2050, as our new vision.

To achieve the vision, we must take on new challenges that will not be a mere extension of the status quo and must transform our business structure. This will not be an easy task, but just as we were able to confront various changes in the environment by mobilizing all of our resources, I am determined to take initiative in tackling challenges with all of our employees and evolve us into a corporate group that will continue to grow with the region over the next 100 years.

Your continued support and patronage are greatly appreciated.

02 100 years of our history and strengths we have cultivated

Based on the founding spirit, we have overcome many difficulties as a team and cultivated the strengths of the Group while growing together with the region.

100 years of our history

Responded to changes in the environment

- Switched raw materials for city gas (coal → petroleum → natural gas)
- Expanded city gas usage
- Launched LPG business and electric power business



Contributed to the realization of a comfortable life and manufacturing development

- Developed energy-saving and highly efficient equipment and appliances for a more comfortable life
- Provided optimal proposals according to the actual usage status
- Expanded supply areas/base networks



Realized safe, secure, and stable supply; responded to disasters

- Earthquake resistance for city gas production/supply facilities; facility enhancement/software strategies for stable supply
- Responded to disasters in the region (e.g., Isewan Typhoon and Tokai Cloudburst Disaster); provided restoration support for disaster-stricken areas across the nation



Our strengths developed through 100 years of business

Provision of diverse energy services, systems to ensure stable supply, and technological development and solution support

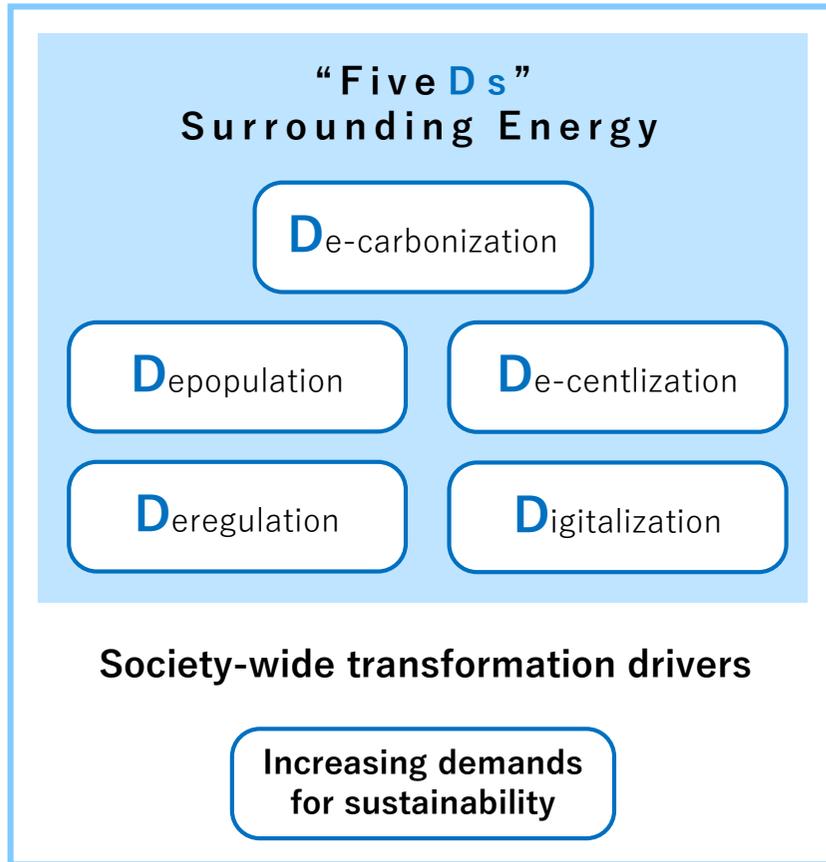
Business foundation in the region, contact with customers, and trust from the region and customers

Organizational culture and human resources whose mission is to support the community

03 Envisage future society in 2050

We have envisioned a carbon-neutral society in 2050.

transformation drivers



Envisage future society in 2050

Energy

- Carbon-neutral energy will be widely used in a stable manner.
- Energy supply and demand will be optimized through bidirectional power flexibility involving individuals and through the practice of local production for local consumption.

Living and services

- Various needs will be met by digital services and by the Last One Mile service.
- New services will be created through cooperation between individuals and companies.

Business and industry

- Innovation that transcends industry boundaries will be created through mutual data utilization and technological innovation.
- Labor shortage will be covered by AI, robotics and other technologies.

Local and local government

- Expertise of the private sector will be actively used for administrative services and infrastructure maintenance.
- People and companies will be attracted to cities that make use of the characteristics and historical features of the region and to cities that are making progress.

What a company should be

- The corporate attitude toward sustainability will be attracting sympathy and gaining support from stakeholders.
- People will recognize each other's individuality, and business operation will be conducted based on diversity.

04 Roles for us to play in society in 2050

In 2050, the Group will contribute to a sustainable society, including carbon neutrality, by addressing diverse needs and issues of people's lives, business, and communities.

Roles for us to play in society in 2050

- In the area of energy, we will provide clean energy in a stable manner, centering on three kinds of energy, i.e., **gas** (city gas/LPG), **hydrogen**, and **electricity**, and realize carbon neutrality throughout our supply chain, including customers.
- In areas other than energy, we will further strengthen contact with customers and work on the co-creation of new value to realize a prosperous life, business, and community.

Our roles to play through the three kinds of energy

Gas

Establish technologies such as carbon recycling*¹ and methanation*² to supply decarbonized gas

Hydrogen

Manage production/procurement, supply, and utilization (demand generation) in a consistent manner, and spread/expand hydrogen use

Electricity

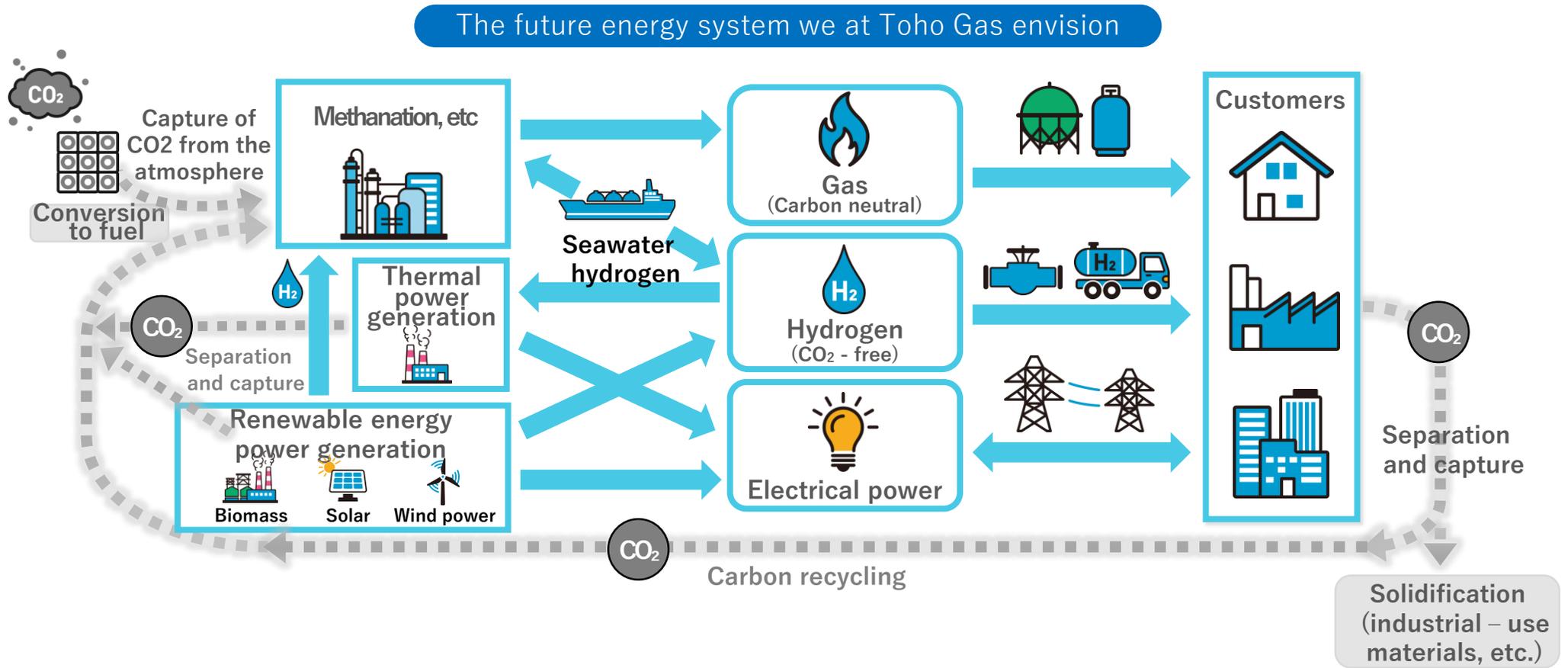
Achieve decarbonization/stabilization of power sources by combining various renewable energy power sources and by optimally using distributed resources

*1 For this resource, this encompasses broad measures for CO₂ separation, capture, utilization, storage, and the like.

*2 Technology for producing methane, propane, and the like using hydrogen and CO₂.

[Reference] The future energy system we at Toho Gas envision

Toward the realization of carbon neutrality by 2050, we aim to build an energy system centered on gas (city gas/LPG), hydrogen, and electricity through an extensive collaboration with stakeholders.



05 What we aim to be in the mid-2030s

What the Group aims to be in the mid-2030s, the halfway point to 2050.

This vision reflects our desire to evolve as an energy operator, as well as to serve our customers in areas other than energy, and to lead the way in realizing a sustainable society.

Our strengths developed through 100 years of business operations

Provision of diverse energy services, systems to ensure stable supply, and technological development and solution support

Business foundation in the region, contact with customers, and trust from the region and customers

Organizational culture and human resources whose mission is to support the community

What we aim to be in the mid-2030s

Reliable energy operator in the region

Life and business partner beyond the boundary of energy services

Corporate group that leads the realization of a sustainable society

Roles to play in 2050

Contribute to a sustainable society by responding to diverse needs and issues of everyday life, business, and the community

- Achieve carbon neutrality
- Achieve affluent livelihoods, businesses, and communities

Corporate philosophy

Toho Gas will, together with Group companies, treasure the bonds of trust between people and contribute to the creation of a life that is full of happiness and excitement and the realization of an attractive and vibrant society.

06 Direction of efforts to realize “what we aim to be”

To achieve our vision by the mid-2030s, we will promote three initiatives.



Direction of efforts ①

Evolve as an energy operator

Provide various energy services to more customers

Just as our employees have worked together to respond to major environmental changes in the past, we will work on achieving carbon neutrality and expand our market share by leveraging our strengths in diverse kinds of energy.

Provide various kinds of energy

By adding electricity and hydrogen to our business apart from gas (city gas/LPG), we will work on low carbon/decarbonization from the ground up and make effort to implement various measures in society to promote a smooth carbon-neutral transition.

Gas

- Promote fuel conversion, etc. to achieve low carbon/decarbonization from the ground up
- Concurrently, develop and implement technologies to decarbonize gas itself

hydrogen

- Build a hydrogen supply chain in the region
- Create demand for hydrogen in the fields of mobility, heat sector, etc.

Electricity

- Develop various renewable energy power supplies
- Build a system that integrates distributed resources and provides supply capacity

Expansion of energy share

Deliver various kinds of energy in an optimal form according to customer needs and usage status of equipment and facilities

Secure and Safety

Fulfil our responsibilities as an energy operator

Stable

Expand our energy market share in the region, and also expand the activity area and related businesses

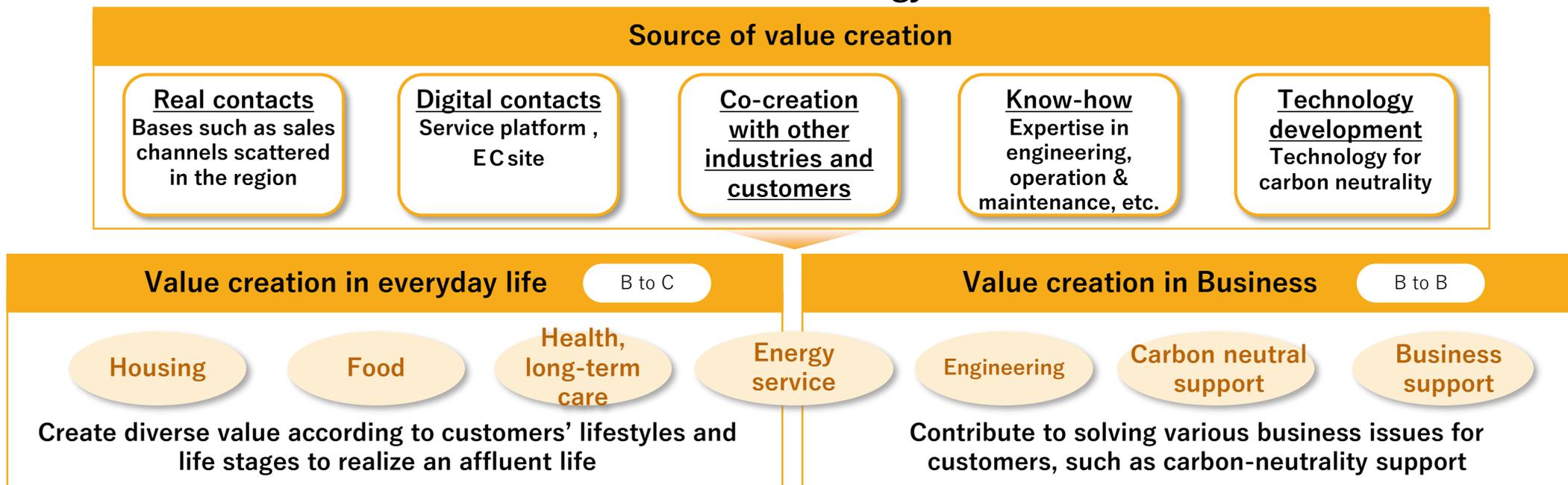
06 Direction of efforts to realize “what we aim to be”

Direction of efforts ②

Create diverse value

A better present and future for your life and business

We will contribute to solving “current” problems of customers in their lives and business, realizing a better “future” through a set of energy and service proposals, and expanding the provision of value other than energy.

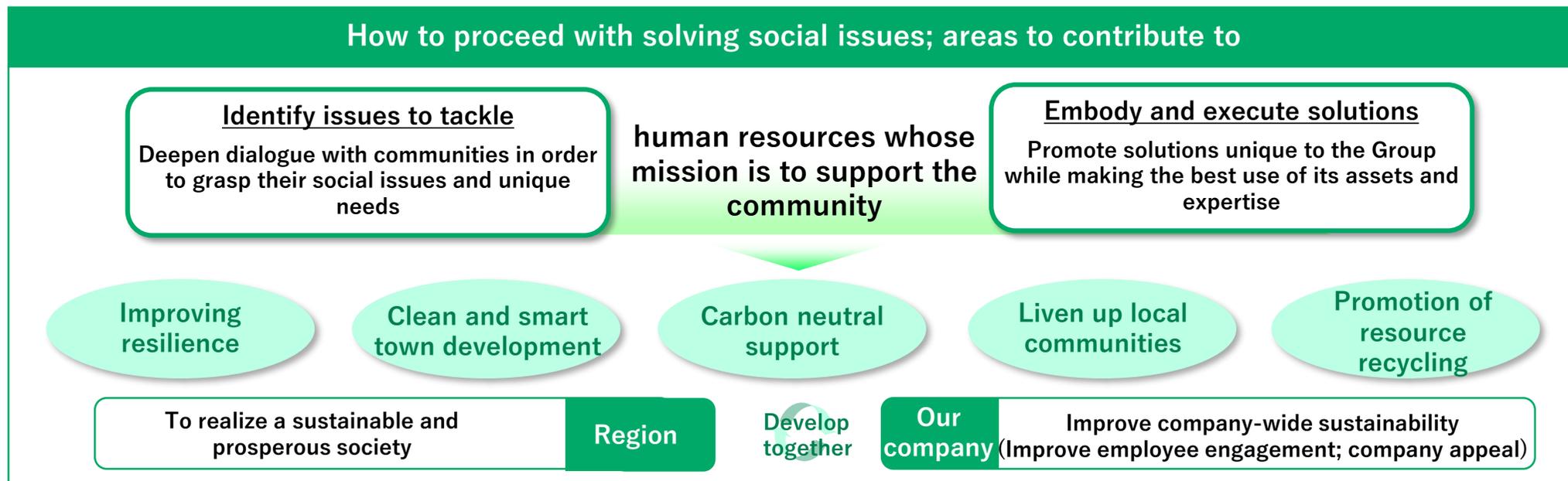


Direction of efforts ③

Promote social issue solutions

Contribute to the SDGs and the future ahead

We will contribute to achieving the SDGs and grow together with the region by further demonstrating the power of our organization and human resources, whose mission is to support the region, and by helping solve issues that the region has to tackle in the future.



07 Transformation of business portfolio

With the company's core business of city gas and LPG as our earnings base, we will focus on investing management resources in strategic businesses to scale up the entire group business by more than 1.5 times by the mid-2030s. We will meet the expectations of our stakeholders through the achievement of sustainable growth.

Business portfolio image at mid-2030s

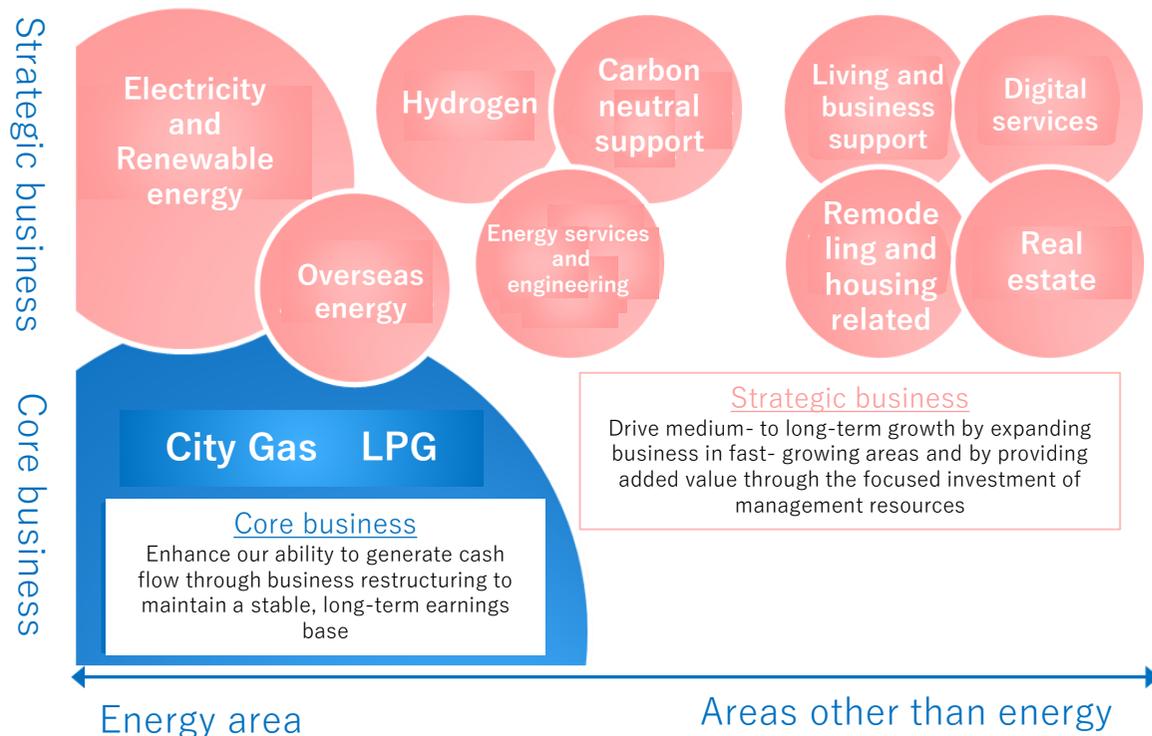
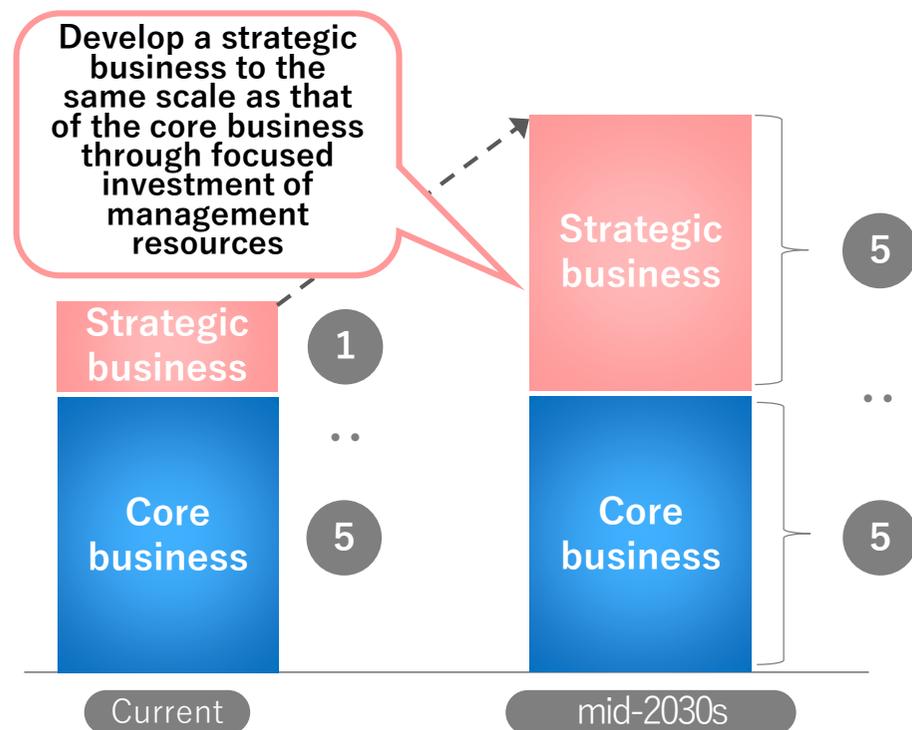


Image of expansion of business scale



08 A company-wide challenges

The company will create an environment where employees are encouraged to take on challenges, and the employees will boldly take on challenges to achieve our vision.

Company

Expand opportunities for the employees to take on challenges, and evaluate their motivation and actions

Establish a comfortable working environment where the employees can balance and fulfill their business and personal needs

Ensure the diversity of human resources and support the exercise of their strengths, individuality, and initiatives

Provide health support services and create a safe and comfortable workplace where the employees can play an active role for a long time

Organizational
and individual
growth



Employee

Set higher goals and fearlessly take on challenges

Work in a productive manner the employees can balance and fulfill their business and personal needs

Respect diverse ideas and backgrounds of the members and work together to explore optimal solutions

Demonstrate high performance while taking care of the physical and mental health of themselves and their family



Earning forecasts and other forward-looking statements in this document are management's current views and beliefs in accordance with data currently available, and are subject to a number of risks, uncertainties and other factors that may cause actual results to differ materially from those projected.